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UNCLAS SECTION 01 OF 04 KATHMANDU 000496

SIPDIS

SENSITIVE

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SUBJECT: LIVING IN TERROR IN WESTERN NEPAL'S PLAINS

REFS: A) 377 KATHMANDU, B) 01 KATHMANDU 2383, C) 01 KATHMANDU 2292

- 11. (SBU) Summary. Violence increased in two western Nepal districts bordering India following the end of the Maoist-government cease-fire in late November, 2001, but western Nepal's largest city remained calm. Ambassador had visited the area February 22 to 24 and Poloff revisited the region in early March. Maoists usually operated when and where security forces were absent, but villagers also reported fearing the sweeps and sometimes heavy-handed tactics used against the Maoists. Authorities complained of a paucity of resources to fight the insurgency, and expressed concern over a remote area of their district where Maoists have reportedly been most active. The insurgents seem to prey on the low social and economic status of the minorities in the region more than on ethnic or caste resentment. Officials and locals alike agreed on the imperative of development. A member of the Tharu ethnic elite doubted equally the ability of the government or the Maoists to gain the upper hand. End Summary.
- 12. (SBU) During a February 28-March 3 mission to Banke and Bardiya districts, Poloff revisited areas he had traveled to in October, 2001 (Ref B). Ambassador had visited Banke, Accham and Bardiya district February 22 to 24. Banke and Bardiya are situated in the plains region bordering India known as the Terai.

Violence in Rural Villages, but Situation "Normal"

- 13. (SBU) Assistant Chief District Officer (ACDO) for Banke, Laxman Sharan Ghimire, told Poloff that beatings and murders especially of Village Development Committee (VDC) chairmen and Nepali Congress supporters had become commonplace in the villages outside Nepalgunj, the district headquarters. The CDO's office received reports of occasional Maoist incursions into Banke from the thick forests in neighboring districts, but believed nonetheless that conditions in their jurisdiction were much better than in neighboring Bardiya district, where Maoist-related incidents occurred nearly every day. Ghimire insisted that the situation in his district was "normal." A Nepalese UN staffer also related that security in outlying villages was increasingly a problem, although little had changed in Nepalgunj proper. [Note: During the Ambassador's recent visit to Nepalgunj, a member of the area's most prominent family related that his relatives had discouraged him from visiting his orchards only five miles outside Nepalgunj on account of the security risk. End Note.]
- 14. (SBU) NGOs working in both Banke and Bardiya reported that although built-up areas had become safer following the end of the Maoist-government cease-fire and subsequent government declaration of a state of emergency in late November, 2001, the Maoists continued to terrorize residents beating and even killing people in villages where security personnel were not deployed or had only a passing presence. Both the Maoists and security forces were moving from village to village conducting search operations, and as a result villagers feared both sides. The UN staffer related that his brother, who works as a teacher in a village about fifty minutes by motorcycle outside Nepalgunj, had been confronted by Maoists on several occasions. The men strangers he did not recognize had ordered him to close the school. He disobeyed, fearing that security forces would accuse him of supporting the Maoists if he shut down.
- 15. (SBU) One NGO representative declared that many villagers were confused about the state of emergency because they did not know that it was directed against the Maoists, and not them. A few felt terrorized by the police or alienated by the sometimes heavy-handed tactics used against the Maoists.

Western Nepal's Largest Town Quiet

16. (SBU) Following the government's declaration of a state of emergency in late November, 2001, Maoists had not engaged in violent activities in Nepalgunj, the largest

city in western Nepal, the Banke CDO's office insisted. However, Maoist extortion of the city's businessmen and industrialists had continued. The ACDO emphasized that the overall crime rate in Nepalgunj had gone down since the imposition of the state of emergency. [Note: Post records confirm that no Maoist-related incidents occurred in Nepalgunj following the emergency declaration. The last violent incident in Nepalgunj occurred February 13 2000, when a bomb went off on the roof of the Banke Land Revenue Office, though a much-publicized incident occurred in August, 2001, when Maoists firebombed a distillery about twenty miles to the west of the city. Nepalgunj is also the headquarters of the Royal Nepal Army and the police in western Nepal. Both institutions maintain a number of institutions in town. Several sources claimed that the vast majority of people in Nepalgunj opposed the Maoists, and Post has seen no evidence to suggest that the Maoists have garnered support from urban Nepalese. End

Resource Scarcity Greatest Problem

17. (SBU) ACDO Ghimire complained that the lack of resources for security operations presented the greatest challenge to authorities in his district. His office maintained daily contact with the RNA Divisional HQ in Nepalgunj to discuss this and other issues. He judged that the RNA lacked resources to counter the Maoists, and helicopters were especially needed, as without them it was hard to respond when people were hurt or killed. [Note: The RNA echoed this judgement in recent briefings for visiting DOD staff (Septel).] Ghimire also said the recent upgrade of the RNA base in Nepalgunj to a divisional-level headquarters suggested to him that resources were slowly arriving. The upgrade helped psychologically, and locals had begun to feel a change for the better. Ghimire also commented that the recent deaths of two CDOs at the hands of the Maoists in Solukhumbu and Accham districts (Refs A and C) had had a demoralizing effect on civil service personnel.

Maoists Flourish in Remote Areas

18. (SBU) Of particular concern to Ghimire were nine Maoistaffected villages in eastern Banke, cut off from the rest of the district by the Rapti river. The Chairman of Banke's District Development Committee (DDC) also expressed worries about Maoist activity in the Kamaiya-affected VDCs across the Rapti, and the head of the Land Reform Office labeled the areas "dangerous" due to ongoing Maoist activity. Access is difficult, and the government has never had a firm presence there. During the dry requires a detour through India. Plans have been made for a bridge over the Rapti, but the road department has yet to settle the financing. Authorities shut down a permanent police post deep in the area, but opened two temporary police posts in more hospitable locations. [Note: During the Ambassador's late February visit to Nepalgunj, RNA top brass claimed to have information about 400 potential Maoists gathered east of the Rapti, but due in part to a lack of good intelligence had decided not to act against them. End Note.]

Maoists Keeping Clear Route to India?

¶9. (SBU) Ghimire mentioned rumors that the Maoists

maintain a hands-off policy in Banke in order to preserve it as a route for supplies from India, but confessed that he had no evidence that the insurgents conducted supply operations through his district. At present, he went on, Indians and Nepalese crossed the India-Nepal border without showing identification, and that needed to change to prevent terrorists from crossing back and forth.

Ethnic Relations a Symptom, But Not a Cause

 $\underline{\P}$ 10. (SBU) Ghimire judged that the Maoists had been able to draw support from minorities in remote areas primarily on account of their poverty, but also due to widespread illiteracy and the lack of employment opportunities. Furthermore, the Maoists seemed to be increasing their numbers by force alone. Ghimire, who, like ninety-six percent of Chief District Officers, is a high-caste Brahman, stated that Tharus in the region have been traditionally dominated by higher castes. [Comment: Ghimire's clearly meant to suggest that the Tharus were thus easily subjugated by the Maoists as well.] Banke's DDC Chairman noted that the Maoists had exploited not only the caste issue, but also divisions between haves and havenots; their strategy was to "divide and rule" by dividing people along either caste or tribal lines or socioeconomic divides. At the Land Reform Office, Poloff heard that the Maoists had set up a front organization, the Tharu Liberation Front, and through it had begun to gain support from a few Tharus. In that instance, the Maoists were exploiting the Tharu's poverty, but not necessarily ethnic or caste resentment, the Land Office head judged.

Desperately Seeking Development

- 111. (SBU) Ghimire felt that the government he himself represented had not addressed the concerns of the poor and unemployed. Poverty alleviation and employment generation projects were still essential. Development should be suited to local conditions, focussed on eliminating high-level corruption and nepotism, and aimed at improving the socio-economic sector, prescribed Ghimire.
- 112. (SBU) Fatte Singh Tharu, former MP and Communications Minister and currently head of the rightist RPP party in Banke, noted that his district hosts no large factories, only small-scale enterprises, and its economy was operating "day by day." Banke could support a sugar cane or paper factory, either of which would give a boost to the economy by providing employment and import substitution opportunities. Irrigation, electrification and roads were also needed, Singh told us.
- 113. (SBU) Other NGOs working in the region report that before the declaration of the state of emergency they used to meet with Maoists in order to find out what they were thinking, inform them of their activities, and assure them that they were working solely on projects to uplift the most socially and economically disadvantage. After the emergency, all such contacts ceased as the Maoists went deeper underground and security forces kept a closer watch on what was going on.

Panchayat-Era Tharu Leader's Reactions

- 114. (SBU) Fatte Singh Tharu concluded that because the Maoists lacked public support they would be unable to win the war. Unfortunately, the government could not win either, because it too did not have the public's backing. This was partly due to the fact that justice only served the interests of the strong and powerful in Nepal. [Note: Tharu was once prosecuted for corruption.] Moreover, the government still had not developed a strategy to encourage public participation in its efforts. Tharu added that Nepalese appreciated USG support, but that it was late in coming. [Comment: Fatte Singh Tharu, an accomplished senior politician with rightist views, is living proof of the diversity within the ethnic Tharu community. Although widely viewed as backwards, uneducated peasants, in fact the Tharus are a diverse community. End Comment
- 115. (SBU) Reflecting on the origins of the insurgency, Tharu blamed the rise of the Maoists on misguided and intrusive central government policies that undercut the economies of the most heavily Maoist-affected hill districts and gave the Maoists "room to develop." After the government banned marijuana cultivation in the 1970s, it never delivered on promised crop-substitution programs. Small iron mines were closed due to the ecological harm they caused. Finally, the Forest Department banned the collection and export of wild herbs from public land, cutting off a major source of income for many villagers. Three decades ago Nepal exported agricultural products, but as a result of these and similar policies that was no longer the case. Tharu then went on to describe his plans to save Nepal through a "green revolution," adding that members of the current administration had thwarted his plans.

Comment

16. (SBU) Nepalgunj proper has not seen a violent Maoist-related incident in nearly two years, so it is not surprising that authorities have managed to keep the city under wraps in recent months. That area villages have become less secure since the emergency declaration is a cause for concern, however, and underlines Nepal's desperate need for resources both to combat the Maoists and to improve conditions in its villages. The visits to Banke and Bardiya confirmed our suspicions that the insurgency does not enjoy broad-based public support in these districts, and highlighted the Maoists' use of coercion and violence to obtain the limited support that they do have.

MALINOWSKI